

Mayor and Councillors
COUNCIL

29 JUNE 2017

Meeting Status: **Public**

Purpose of Report: For Decision

LEASE TO OTAKI HERITAGE BANK PRESERVATION TRUST

PURPOSE OF REPORT

- 1 This report seeks Council's approval to enter into a Deed of Lease with the Otaki Heritage Bank Preservation Trust, (The Trust) for the building situated at 49 Main Street, Otaki.

DELEGATION

- 2 Council has the authority to consider this matter.

BACKGROUND

- 3 This Deed is for the building located at 49 Main Street, Otaki being part of the land comprising 1,118 square metres legally described as Lot 1 Deposited Plan 91012 and contained in Computer Freehold Register 22996 (Wellington Land Registration District) and more particularly outlined in red in the plan attached to Appendix 1.
- 4 Through various agreements, the Trust has leased the building since July 2003. This current lease expires on 30 June 2017, and consequently the Trust has requested to remain and enter into a new agreement.

ISSUES AND OPTIONS

Issues

- 5 The Trust will continue to use the building as a community museum.
- 6 The building has been confirmed as earthquake prone. The Trust is aware of this and accepts additional clauses be included in the Deed that allow the Council at its sole discretion to either remediate or demolish the building without compensation to the Trust provided Council gives six months prior notice.
- 7 The proposed term of the lease is three years. This is to allow time for Council to develop its position on occupation of Council buildings that are earthquake prone.

CONSIDERATIONS

Policy considerations

- 8 There are no policy issues arising from this decision.

Legal considerations

- 9 There are no legal considerations.
- 10 Council's legal advisor will approve the Deed of Lease prior to both parties signing.

Financial considerations

- 11 The Trust was paying \$10,216 per annum plus GST and has agreed to pay a rental of \$10,500 per annum plus GST. They have also accepted CPI adjustments being applied on the anniversary date of the lease. Each party shall pay their own costs associated with the preparation of the Deed. The Deed will also record that the Trust be required to pay the costs of any subsequent variations to the lease if needed.

Tāngata whenua considerations

- 12 There are no known tāngata whenua considerations.

SIGNIFICANCE AND ENGAGEMENT

Degree of significance

- 13 This matter has a low level of significance under Council policy.

Consultation already undertaken

- 14 Council has met with the Trust, discussed the lease terms and conditions and received confirmation that the Lease as drafted is acceptable to the Trust.

Engagement planning

- 15 An engagement plan is not needed to implement this decision.

Publicity

- 16 Public notification in this instance is not required.

RECOMMENDATIONS

- 17 That the Kāpiti Coast District Council authorises the Chief Executive to enter into a lease with Otaki Heritage Bank Preservation Trust on the terms and conditions agreed with the Trust for a term of three years, commencing 1 July 2017 for the building situated at 49 Main Street, Otaki.

Report prepared by	Approved for submission	Approved for submission
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